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|-----------------|--------------|---|
| <b>ORIGINAL</b> |              | THIS AMENDMENT:<br>Passed as amended by _____ |
| _____ Passed    | _____ Failed | _____ Not Offered                             |
| <b>RECEIVED</b> |              | _____   |



0000073713

LOCK

2007 JUN -6 A 10:39 **MAYES PROPOSED AMENDMENT # 1**AZ CORP COMMISSION  
DOCKET CONTROL  
COMPANY: Arizona Public Service Company

DATE PREPARED: June 6, 2007

AGENDA ITEM NO. U-1

DOCKET NO. E-01345A-05-0816 et al.  
E-01345A-05-0826  
E-01345A-05-0827

OPEN MEETING DATE: June 13, 2007

Arizona Corporation Commission

**DOCKETED**

JUN -6 2007

Page 77, Line 13, DELETE:

"We will approve the modifications to Schedule 3."

INSERT:

|             |    |
|-------------|----|
| DOCKETED BY | nr |
|-------------|----|

"APS has asserted that this rate increase is necessitated by costs related to Arizona's explosive growth. Therefore, the Commission believes that APS should begin taking steps to require that growth pay for itself to a greater degree than is currently occurring. To achieve this objective, the Commission believes that within 30 days of the effective date of this Order, APS should submit a revised Schedule 3, for Commission review and approval, which eliminates any reference to free-footage based allowance or dollar-based allowance for new service connections. Accordingly, APS should be granted variances from A.A.C. R14-2-206.B.2.a and R14-2-207.C.1."

Page 139, Line 18, DELETE:

"46. APS' proposed changes to Schedule 3 and 4 as modified by Staff's recommendations are reasonable and therefore approved."

Page 139, Line 18, INSERT NEW FINDING OF FACT:

"46. APS' proposed changes to Schedule 4 as modified by Staff's recommendations are reasonable and therefore approved."

47. Within 30 days of the effective date of this Order, APS should submit a revised Schedule 3, for Commission review and approval, which eliminates any reference to free-footage based allowance or dollar-based allowance for new service connections. Accordingly, APS should be granted variances from A.A.C. R14-2-206.B.2.a and R14-2-207.C.1."

Page 141, DELETE Lines 7 through 8.

Page 150, DELETE Lines 24 through 25, INSERT NEW ORDERING PARAGRAPH:

“IT IS FURTHER ORDERED that within 30 days of the effective date of this Order, APS should submit a revised Schedule 3, for Commission review and approval, which eliminates any reference to free-footage based allowance or dollar-based allowance for new service connections. Accordingly, APS should be granted variances from A.A.C. R14-2-206.B.2.a and R14-2-207.C.1.”

Make all conforming changes as necessary.